

SENATE BILL REPORT

HB 1006

As Reported by Senate Committee On:
Ways & Means, March 27, 2013

Title: An act relating to removing the requirement that earnings from the Washington horse racing commission operating account be credited to the Washington horse racing commission class C purse fund account.

Brief Description: Removing the requirement that earnings from the Washington horse racing commission operating account be credited to the Washington horse racing commission class C purse fund account.

Sponsors: Representatives Schmick and Cody; by request of Horse Racing Commission.

Brief History: Passed House: 2/18/13, 96-0.

Committee Activity: Ways & Means: 3/19/13, 3/27/13 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Hill, Chair; Baumgartner, Vice Chair; Honeyford, Capital Budget Chair; Hargrove, Ranking Member; Nelson, Assistant Ranking Member; Bailey, Becker, Braun, Conway, Dammeier, Fraser, Hasegawa, Hatfield, Hewitt, Keiser, Kohl-Welles, Murray, Padden, Parlette, Ranker, Rivers, Schoesler and Tom.

Staff: Dianne Criswell (786-7433)

Background: The Washington Horse Racing Commission (Commission) is responsible for licensing, regulating, and supervising horse racing in the state.

The Commission's Operating Account (Operating Account) consists of daily gross receipts collected from pari-mutuel machines, pari-mutuel taxes, source market fees, individual license fees, advance deposit wagering firms' annual license fees, racetrack license fees, and miscellaneous gifts, grants, or endowments. It is primarily for the Commission's operations. The Class C Purse Fund Account consists of one-tenth of 1 percent of daily gross receipts of in-state pari-mutuel machines and is used for purse awards for qualifying nonprofit race meets.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

All funds received in the Operating Account are held in the State Treasurer's Trust Fund, to be invested by the State Treasurer. Until 2011 investment earnings from the Operating Account were distributed to the Class C Purse Fund for nonprofit race meets. Legislation enacted in 2011 required that investment earnings from the Operating Account must be retained in the Operating Account rather than distributed to the Class C Purse Fund. This legislation did not amend a requirement that the State Treasurer credit investment earnings from the Operating Account to the Class C Purse Fund.

Summary of Bill: The State Treasurer must credit investment earnings from the Operating Account to that same account rather than to the Class C Purse Fund. The language makes the uses of the Operating Account consistent with the State Treasurer.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill cleans up language and completes the legislation of 2011, allowing the retention of investment earnings in the administrative account, as was intended.

Persons Testifying: PRO: Representative Schmick, prime sponsor; Douglas Moore, WA State Horse Racing Commission.